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July 18, 2000

Re: Request for Information Related to Rico Argentine Mine Site in Dolores County,  
Colorado; Response of Crystal Gas Storage, Inc.

*Via Express Mail*

Mr. David L. Broste

(8ENF-T)

United States Environmental Protection Agency, Region VIII

999 18<sup>th</sup> Street, Suite 500

Denver, Colorado 80202-2466

Dear Mr. Broste:

Enclosed are Crystal Gas Storage, Inc.'s (formerly Crystal Oil Company) responses to the Request for Information that it received on June 19, 2000. As can be determined by a review of the attached responses and accompanying documents, Crystal Gas Storage, Inc. ("Crystal Gas") neither owned or operated the Rico Argentine mine, nor was the Rico Argentine Mining Company ("RMC") ever merged into Crystal Gas. Crystal Gas is not, therefore, the corporate successor to RMC, as alleged in the letter dated June 14, 2000, from Ms. Sharon Kercher of the Environmental Protection Agency ("EPA") to Mr. Joe Averett, President of Crystal Gas.

An independent subsidiary of Crystal Gas known as Crystal Exploration and Production Company ("CEPCO") did acquire the interests of RMC through a series of transactions in the 1970s. (This company was recently merged into a new entity, Crystal Exploration and Production, L.L.C.) The only activity ever conducted at the Rico Argentine mine by CEPCO was testing. In August of 1980, the assets of the RMC were sold to the Anaconda Company, which was subsequently merged into the Atlantic Richfield Company ("ARCO"). Pursuant to the Closing Agreement, the Anaconda Company agreed to assume the liabilities related to certain environmental matters, including matters relating to the discharges from the St. Louis and Blaine Tunnels. See attached documents bearing Bates Nos. RAM 01487-01500. In fact, after a lawsuit between Crystal Oil Company and ARCO concerning other environmental remedial activities at the Rico Argentine mine, ARCO completed such actions at no expense to Crystal Oil Company.

Crystal Exploration and Production, L.L.C. continues to exist today, but its assets consist solely of a minimal amount of cash. This entity continues to exist only because of litigation on

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matters not related to the Rico Argentine mine. Furthermore, as indicated above, the liabilities of CEPCO relating to the operation of the mine were assumed by ARCO. Finally, CEPCO, as a subsidiary of Crystal Gas, has at all times been a separate, independent corporation.

If you have any questions concerning the enclosed, please feel free to call me at (713) 651-3760.

Very truly yours,

A handwritten signature in cursive script that reads "Eddie Lewis".

Edward C. Lewis

ECL/jnr  
Enclosure

cc: Mr. Joe N. Averett, Jr.  
President  
Crystal Gas Storage, Inc.

Ms. Kimberly Lesniak  
Senior Counsel  
El Paso Corporation

## **GENERAL RESPONSE TO REQUESTS FOR INFORMATION**

The following responses to the Environmental Protection Agency's ("EPA") Requests for Information were prepared by and on behalf of Crystal Gas Storage, Inc., a Louisiana corporation, ("Crystal Gas"). Crystal Gas, the company to which the Requests for Information were directed, has never owned nor operated any property at the Rico Argentine Mine located in Dolores County, Colorado. An independent subsidiary of Crystal Gas, Crystal Exploration and Production, L.L.C. (formerly known as Crystal Exploration and Production Company), owned (but did not operate) property at the Rico Argentine Mine from January 1977 until August 1980. Crystal Exploration and Production Company sold its property at the Rico Argentine Mine to the Anaconda Company in August 1980.

In providing the following responses, Crystal Gas does not waive its right to any privileges, including, but limited to, the attorney-client privilege, the work-product privilege, the self-investigative, and/or the joint defense privilege. Documents or information subject to any applicable privilege have not been provided in response to these requests.

### **REQUESTS FOR INFORMATION**

- 1. Identify the persons(s) answering these Questions on behalf of Respondent.**

Mr. Edward C. Lewis  
Fulbright & Jaworski L.L.P.  
1301 McKinney, Suite 5100  
Houston, Texas 77010-3095

- 2. For each and every Question contained herein, identify all persons consulted in the preparation of the answer.**

In addition to counsel for Crystal Gas, the persons identified below were consulted in the process of answering the Requests for Information. Additional persons may be identified in the specific answers provided below.

Mr. Joe N. Averett, Jr.  
Crystal Gas Storage, Inc.  
P.O. Box 21101  
Shreveport, Louisiana 71120

Ms. Ernestine Bucham  
El Paso Energy Corporation  
P. O. Box 2511  
Houston, Texas 77252-2511

Mr. Paul Holmes  
Crystal Gas Storage, Inc.  
P.O. Box 21101  
Shreveport, Louisiana 71120

Ms. Margaret Roark  
El Paso Energy Corporation  
P. O. Box 2511  
Houston, Texas 77252-2511

Ms. Julie Smith  
Crystal Gas Storage, Inc.  
P.O. Box 21101  
Shreveport, Louisiana 71120

3. **For each and every Question contained herein, identify documents consulted, examined, or referred to in the preparation of the answer or that contain information responsive to the Question and provide accurate copies of all such documents.**

This information is contained in the responses to the questions below.

4. **Describe and provide documents that describe the terms and conditions of Crystal Oil Company's ("Crystal Oil") acquisition of the Rico-Argentine Mining Company ("RMC") in or around 1974. If RMC's existence as a separate corporate entity was ended or if the company changed names as a result of this acquisition or at any time after it, describe those events and provide related documents such as notices of dissolution, merger agreements, amendments to articles of incorporation, and related corporate resolutions.**

Crystal Gas (formerly known as Crystal Oil Company) is distinct from and is not a successor to the Rico Argentine Mining Company. A subsidiary of Crystal Gas acquired the Rico Argentine Mining Company through a merger. On July 3, 1974, the Rico Argentine Mining Company, a Utah corporation, was merged into Crystal-Rico Company, a Texas corporation and wholly owned subsidiary of Crystal Oil Company, which thereafter changed its name to the Rico Argentine Mining Company. Effective January 1, 1977, the Rico Argentine Mining Company was merged into Crystal Exploration and Production Company, a Florida corporation. See documents bearing Bates Nos. RAM01399 - RAM01410, RAM01540 - RAM01689. On January 4, 2000, Crystal Exploration and Production Company was merged

into Crystal Exploration and Production, L.L.C. See documents bearing Bates Nos. RAM01387 - RAM01398.

5. **Provide copies of the documents that describe the terms and conditions of the transactions that transformed Crystal Oil from a Maryland corporation to a Louisiana corporation.**

See documents bearing Bates Nos. RAM00788 - RAM01307.

6. **Provide copies of the amendment to the articles of incorporation that changed the name of Crystal Oil to Crystal Gas Storage, Inc.**

See documents bearing Bates Nos. RAM01308 - RAM01313.

7. **Provide a copy of the merger agreement between Crystal Gas Storage, Inc. (a Louisiana corporation) and El Paso Energy Acquisition Company, and provide documents that describe any subsequent changes in the name of the corporation.**

See documents bearing Bates Nos. RAM01314 - RAM01386.

8. **Describe all property interests owned by RMC at the Site at the time that company was acquired by Crystal Oil.**

Crystal Gas (formerly known as Crystal Oil Company) never acquired the Rico Argentine Mining Company. (See response to Question No. 4). Copies of documents relating to property that may have been owned by the Rico Argentine Mining Company have been enclosed. See documents bearing Bates Nos. RAM01399 - RAM01410, and RAM01540 - RAM01689. The vast majority of the records relating to the Rico Argentine Mining Company's property at the site were transferred to the Anaconda Company as a result of its purchase of Crystal Exploration and Production Company's assets in Dolores County, Colorado in 1980. See documents bearing Bates Nos. RAM01399 - RAM01539.

9. **Describe any and all transactions in which Respondent conveyed or acquired property interests at the Site. Describe the property conveyed or acquired, identify the parties to the transactions, and state the dates of each transaction.**

Crystal Gas has never conveyed or acquired property at the Site. Copies of documents related to property acquisitions or conveyances at the site by other entities have been enclosed in response to other questions. See documents bearing Bates Nos. RAM01399 - RAM01689.

10. **Describe any and all records of RMC that currently exist that describe RMC's ownership of property at the Site or that describe the operations of RMC at the Site**

**including those operations that in any way related to activities in or around the St. Louis and Blaine Tunnels. Describe where those records are currently located and identify the person who has custody of those records. EPA reserves the right to request copies of those records or access to them at a later date.**

Copies of several documents related to the Rico Argentine Mining Company's property at the site have been attached in response to other questions. Counsel for Respondent has some additional Rico Argentine Mining Company documents in its possession, including a few Board of Director minutes, personnel files for a few former employees, correspondence with the Securities and Exchange Commission in the 1970's, and other corporate related documents. The vast majority of records relating to the Rico Argentine Mining Company's property and operations at the site were transferred to the Anaconda Company as a result of its purchase of Crystal Exploration and Production Company's assets in Dolores County, Colorado in 1980. See documents bearing Bates No. RAM01399 - RAM01689.

**11. Provide the following information and records related to the bankruptcy proceeding initiated by Crystal Oil in or around 1986:**

**A. Identify the court where the bankruptcy petition was filed and provide the docket number of the action;**

United States Bankruptcy Court for the Western District of Louisiana, Shreveport Division, Case No. 86BK-12834-S11.

**B. Provide the bankruptcy petition, the approved disclosure statement and plan of reorganization, the order of the court confirming the plan of reorganization, all orders of the court issued after confirmation of the plan of reorganization and a docket sheet showing all motions, pleadings and related items that were filed in the bankruptcy proceeding.**

Crystal Gas has enclosed key documents relating to its bankruptcy proceeding, including the bankruptcy petition, disclosure statements, the plan of reorganization, and the court's order approving same. See documents bearing Bates Nos. RAM00001 - RAM00567. Because of the volume of documents that have been filed in the above-referenced bankruptcy proceeding, Crystal Gas has attached a current docket sheet identifying other pleadings, orders, and associated documents that have been filed in the bankruptcy proceeding. See documents bearing Bates Nos. RAM00568 - RAM00787.

**12. Provide all documents that describe the terms and conditions of or relate in any way to any sale or other transfer by Crystal Oil or its successors of all or a portion of RMC or any assets that were owned by RMC or any assets owned by Crystal Oil that related in any way to the Site. Provide all documents generated by Crystal Oil or its successors after any such sale or transfer that related in any way to the Site.**

Crystal Gas has never owned any property at the site. Documents have been enclosed in response to previous questions that relate to the acquisition of Crystal Exploration and Production Company's assets in Dolores County, Colorado by the Anaconda Company in 1980. See documents bearing Bates Nos. RAM01399 - RAM01689.

- 13. If you have reason to believe that there may be persons able to provide a more detailed or complete response to any Question contained herein or who may be able to provide additional responsive documents, identify such persons and the additional information or documents that they may have.**

On August 27, 1980, the Anaconda Company purchased Crystal Exploration and Production Company's assets in Dolores County, including the assets of the Rico Argentine Mining Company. Subsequently, the Anaconda Company was merged into the Atlantic Richfield Company. In addition, on May 9, 1988, the Atlantic Richfield Company entered into an agreement with Rico Development Corporation to sell approximately 2,900 acres of property in Dolores County, Colorado. Employees and former employees of the Atlantic Richfield Company, the former Anaconda Company, and the Rico Development Corporation may have additional information regarding the subject matter addressed in EPA's Request for Information.

- 14. For each and every question contained herein, if information or documents responsive to this Information Request are not in your possession, custody or control, then identify the persons from whom such information or documents may be obtained.**

On August 27, 1980, the Anaconda Company purchased Crystal Exploration and Production Company's assets in Dolores County, including the assets of the Rico Argentine Mining Company. Subsequently, the Anaconda Company was merged into the Atlantic Richfield Company. In addition, on May 9, 1988, the Atlantic Richfield Company entered into an agreement with Rico Development Corporation to sell approximately 2,900 acres of property in Dolores County, Colorado. Employees and former employees of the Atlantic Richfield Company, the former Anaconda Company, and the Rico Development Corporation may have additional information regarding the subject matter addressed in EPA's Request for Information.